

## HOUSE BILL NO. 502

INTRODUCED BY RASER, BERGREN, BOOKOUT-REINICKE, ELLINGSON, HEDGES, KITZENBERG,  
MAHLUM, MUSGROVE, PATTISON, TESTER, B. THOMAS, WANZENRIED, WITT

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A MINIMUM CONTENT OF BIODIESEL IN ALL  
DIESEL FUEL ~~SOLD OR OFFERED FOR SALE IN MONTANA~~ FOR USE IN INTERNAL COMBUSTION  
ENGINES OF STATE VEHICLES THAT ARE PART OF THE MONTANA BIODIESEL PILOT PROGRAM;  
ESTABLISHING THE MONTANA BIODIESEL PILOT PROGRAM; ~~EXEMPTING FUEL PRODUCED OR SOLD~~  
~~FOR USE IN RAILROAD LOCOMOTIVES;~~ ~~PROVIDING THAT A DISTRIBUTOR THAT BLENDS BIODIESEL~~  
~~MUST BE LICENSED WITH THE DEPARTMENT OF TRANSPORTATION;~~ ~~DEFINING THE TERM~~  
STANDARDIZING THE DEFINITIONS OF "BIODIESEL" AND DEFINING "BIODIESEL BLEND"; INCLUDING  
BIODIESEL AS A PETROLEUM PRODUCT FOR WHICH THE DEPARTMENT OF LABOR AND INDUSTRY  
SETS STANDARDS; AMENDING SECTIONS ~~15-70-341,~~ 15-70-301, 15-70-304, 15-70-321, 82-15-101, AND  
82-15-103, MCA; AND PROVIDING A ~~CONTINGENT-EFFECTIVE~~ TERMINATION DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Biodiesel -- minimum content --exemption. ~~(1) Except as otherwise~~  
~~provided in this section, all ALL~~ diesel fuel ~~sold or offered for sale in Montana for use~~ USED in internal combustion  
engines OF STATE VEHICLES THAT ARE PART OF THE MONTANA BIODIESEL PILOT PROGRAM must contain at least 2%  
biodiesel by volume.

~~(2) The minimum content requirement of subsection (1) does not apply to fuel produced or sold for use~~  
~~in railroad locomotives.~~

~~Section 2. Section 15-70-341, MCA, is amended to read:~~

~~"15-70-341. (Temporary) License and security of special fuel distributors -- denial or revocation~~  
~~of license -- reissuance fee.~~ (1) (a) Each special fuel distributor, including an exporter and importer, as those  
terms are defined in 15-70-301, prior to the commencement of doing business, shall file:

~~(i) an application for a license with the department, on forms prescribed and furnished by the~~  
~~department, setting forth the information that may be requested by the department; and~~

- 1 ~~———(ii) security with the department in an amount to be determined by the department.~~
- 2 ~~———(b) (i) Except as provided in subsection (1)(b)(ii), the required amount of security may not exceed twice~~  
3 ~~the estimated amount of special fuel taxes the distributor will pay to this state each month.~~
- 4 ~~———(ii) The minimum required security for a distributor who imports or exports special fuel, or both, is~~  
5 ~~\$25,000.~~
- 6 ~~———(c) Upon approval of the application, the department shall issue to the distributor a nonassignable~~  
7 ~~license that is in force until surrendered or revoked.~~
- 8 ~~———(2) The department may deny the issuance of a special fuel distributor license or revoke a special fuel~~  
9 ~~distributor license if it determines that the applicant or distributor:~~
- 10 ~~———(a) has violated any provision of this chapter or any rule of the department relating to gasoline or special~~  
11 ~~fuel, or both;~~
- 12 ~~———(b) fails to provide the security required by the department;~~
- 13 ~~———(c) has had a distributor license revoked or denied by the department or another jurisdiction within a~~  
14 ~~3-year period;~~
- 15 ~~———(d) is not in compliance with motor fuels laws in other jurisdictions; or~~
- 16 ~~———(e) fails to pay the special fuel license tax.~~
- 17 ~~———(3) If an application for a special fuel distributor license is denied or revoked, the applicant or distributor~~  
18 ~~has the right to appeal the department's decision pursuant to Title 2, chapter 4, part 6.~~
- 19 ~~———(4) If the distributor's license is surrendered or revoked, the distributor shall pay a reissuance fee of~~  
20 ~~\$100.~~
- 21 ~~———(5) Failure to obtain a special fuel distributor license as required in this section subjects the distributor~~  
22 ~~to the provisions of 15-70-357 allowing for the seizure, confiscation, and possible forfeiture of the fuel.~~
- 23 ~~———(6) As used in this section, "security" means:~~
- 24 ~~———(a) a bond executed by a distributor as principal with a corporate surety qualified under the laws of~~  
25 ~~Montana, payable to the state of Montana, and conditioned upon faithful performance of all requirements of this~~  
26 ~~part, including the payment of all taxes and penalties; or~~
- 27 ~~———(b) (i) a deposit made by the distributor with the department, under the conditions that the department~~  
28 ~~may prescribe; or~~
- 29 ~~———(ii) certificates of deposit or irrevocable letters of credit issued by a bank and insured by the federal~~  
30 ~~deposit insurance corporation.~~

1 ~~\_\_\_\_\_ (7) The owner of a commercial motor vehicle that is engaged in transporting special fuel for a distributor~~  
 2 ~~is not subject to the provisions of this section.~~

3 ~~\_\_\_\_\_ (8) A distributor who blends biodiesel must be licensed with the department. If the distributor cannot be~~  
 4 ~~licensed, the distributor is required to buy preblended biodiesel.~~

5 ~~\_\_\_\_\_ **15-70-341. (Effective on occurrence of contingency) License and security of special fuel**~~  
 6 ~~**distributors--denial or revocation of license--reissuance fee.** (1)(a) Each special fuel distributor, including~~  
 7 ~~an exporter and importer, as those terms are defined in 15-70-301, prior to the commencement of doing~~  
 8 ~~business, shall file:~~

9 ~~\_\_\_\_\_ (i) an application for a license with the department, on forms prescribed and furnished by the~~  
 10 ~~department, setting forth the information that may be requested by the department; and~~

11 ~~\_\_\_\_\_ (ii) security with the department in an amount to be determined by the department.~~

12 ~~\_\_\_\_\_ (b) (i) Except as provided in subsection (1)(b)(ii), the required amount of security may not exceed twice~~  
 13 ~~the estimated amount of special fuel taxes the distributor will pay to this state each month.~~

14 ~~\_\_\_\_\_ (ii) The minimum required security for a distributor who imports or exports special fuel, or both, is~~  
 15 ~~\$25,000.~~

16 ~~\_\_\_\_\_ (c) Upon approval of the application, the department shall issue to the distributor a nonassignable~~  
 17 ~~license that is in force until surrendered or revoked.~~

18 ~~\_\_\_\_\_ (2) The department may deny the issuance of a special fuel distributor license or revoke a special fuel~~  
 19 ~~distributor license if it determines that the applicant or distributor:~~

20 ~~\_\_\_\_\_ (a) has violated any provision of this chapter or any rule of the department relating to gasoline or special~~  
 21 ~~fuel, or both;~~

22 ~~\_\_\_\_\_ (b) fails to provide the security required by the department;~~

23 ~~\_\_\_\_\_ (c) has had a distributor license revoked or denied by the department or another jurisdiction within a~~  
 24 ~~3-year period;~~

25 ~~\_\_\_\_\_ (d) is not in compliance with motor fuels laws in other jurisdictions; or~~

26 ~~\_\_\_\_\_ (e) fails to pay the special fuel license tax.~~

27 ~~\_\_\_\_\_ (3) If an application for a special fuel distributor license is denied or revoked, the applicant or distributor~~  
 28 ~~has the right to appeal the department's decision pursuant to Title 2, chapter 4, part 6.~~

29 ~~\_\_\_\_\_ (4) If the distributor's license is surrendered or revoked, the distributor shall pay a reissuance fee of~~  
 30 ~~\$100.~~

1 ~~————(5) Failure to obtain a special fuel distributor license as required in this section subjects the distributor~~  
2 ~~to the provisions of 15-70-357 allowing for the seizure, confiscation, and possible forfeiture of the fuel.~~

3 ~~————(6) As used in this section, "security" means:~~

4 ~~————(a) a bond executed by a distributor as principal with a corporate surety qualified under the laws of~~  
5 ~~Montana, payable to the state of Montana, and conditioned upon faithful performance of all requirements of this~~  
6 ~~part, including the payment of all taxes and penalties; or~~

7 ~~————(b) (i) a deposit made by the distributor with the department, under the conditions that the department~~  
8 ~~may prescribe; or~~

9 ~~————(ii) certificates of deposit or irrevocable letters of credit issued by a bank and insured by the federal~~  
10 ~~deposit insurance corporation.~~

11 ~~————(7) The owner of a commercial motor vehicle that is engaged in transporting special fuel for a distributor~~  
12 ~~is not subject to the provisions of this section.~~

13 ~~————(8) A distributor who blends biodiesel must be licensed with the department. If the distributor cannot be~~  
14 ~~licensed, the distributor is required to buy preblended biodiesel. (Terminates June 30 of fourth year following~~  
15 ~~date of occurrence of contingency--sec. 13, Ch. 568, L. 2001.)~~

16 ~~————**15-70-341. (Effective July 1 of fourth year following date of occurrence of contingency) License**~~  
17 ~~**and security of special fuel distributors -- denial or revocation of license -- reissuance fee.** (1) (a) Each~~  
18 ~~special fuel distributor, including an exporter and importer, as those terms are defined in 15-70-301, prior to the~~  
19 ~~commencement of doing business, shall file:~~

20 ~~————(i) an application for a license with the department, on forms prescribed and furnished by the~~  
21 ~~department, setting forth the information that may be requested by the department; and~~

22 ~~————(ii) security with the department in an amount to be determined by the department.~~

23 ~~————(b) (i) Except as provided in subsection (1)(b)(ii), the required amount of security may not exceed twice~~  
24 ~~the estimated amount of special fuel taxes the distributor will pay to this state each month.~~

25 ~~————(ii) The minimum required security for a distributor who imports or exports special fuel, or both, is~~  
26 ~~\$25,000.~~

27 ~~————(c) Upon approval of the application, the department shall issue to the distributor a nonassignable~~  
28 ~~license that is in force until surrendered or revoked.~~

29 ~~————(2) The department may deny the issuance of a special fuel distributor license or revoke a special fuel~~  
30 ~~distributor license if it determines that the applicant or distributor:~~

- 1 ~~———(a) has violated any provision of this chapter or any rule of the department relating to gasoline or special~~  
 2 ~~fuel, or both;~~
- 3 ~~———(b) fails to provide the security required by the department;~~
- 4 ~~———(c) has had a distributor license revoked or denied by the department or another jurisdiction within a~~  
 5 ~~3-year period;~~
- 6 ~~———(d) is not in compliance with motor fuels laws in other jurisdictions; or~~
- 7 ~~———(e) fails to pay the special fuel license tax.~~
- 8 ~~———(3) If an application for a special fuel distributor license is denied or revoked, the applicant or distributor~~  
 9 ~~has the right to appeal the department's decision pursuant to Title 2, chapter 4, part 6.~~
- 10 ~~———(4) If the distributor's license is surrendered or revoked, the distributor shall pay a reissuance fee of~~  
 11 ~~\$100.~~
- 12 ~~———(5) Failure to obtain a special fuel distributor license as required in this section subjects the distributor~~  
 13 ~~to the provisions of 15-70-357 allowing for the seizure, confiscation, and possible forfeiture of the fuel.~~
- 14 ~~———(6) As used in this section, "security" means:~~
- 15 ~~———(a) a bond executed by a distributor as principal with a corporate surety qualified under the laws of~~  
 16 ~~Montana, payable to the state of Montana, and conditioned upon faithful performance of all requirements of this~~  
 17 ~~part, including the payment of all taxes and penalties; or~~
- 18 ~~———(b) (i) a deposit made by the distributor with the department, under the conditions that the department~~  
 19 ~~may prescribe; or~~
- 20 ~~———(ii) certificates of deposit or irrevocable letters of credit issued by a bank and insured by the federal~~  
 21 ~~deposit insurance corporation.~~
- 22 ~~———(7) The owner of a commercial motor vehicle that is engaged in transporting special fuel for a distributor~~  
 23 ~~is not subject to the provisions of this section.~~
- 24 ~~———(8) A distributor who blends biodiesel must be licensed with the department. If the distributor cannot be~~  
 25 ~~licensed, the distributor is required to buy preblended biodiesel."~~

26

27 NEW SECTION. SECTION 2. MONTANA BIODIESEL PILOT PROGRAM. (1) THE DEPARTMENT SHALL DEVELOP  
 28 AND IMPLEMENT A PILOT PROGRAM UTILIZING A PORTION OF THE DEPARTMENT'S MOTOR VEHICLE FLEET AS A PILOT  
 29 PROJECT TO RESEARCH THE USE OF BIODIESEL AS DEFINED IN 82-15-101.

30 (2) THE RESEARCH MUST FOCUS ON:

- 1           (A) EFFECTS OF BIODIESEL ON VEHICLE ENGINES;  
2           (B) EFFECTS OF BIODIESEL ON THE ENVIRONMENT;  
3           (C) COST OF BIODIESEL, INCLUDING DISTRIBUTION AND END-USE CONSUMER PRICE;  
4           (D) STORAGE OF BIODIESEL; AND  
5           (E) TAXATION RELATED TO BIODIESEL.

6  
7           NEW SECTION. SECTION 3. REPORTS REQUIRED ON MONTANA BIODIESEL PILOT PROGRAM. THE  
8 DEPARTMENT SHALL REPORT ON A BIENNIAL BASIS OR UPON REQUEST TO THE REVENUE AND TRANSPORTATION INTERIM  
9 COMMITTEE REGARDING THE PROGRESS OF THE PILOT PROGRAM AND ANY RESULTS OF THE RESEARCH.

10  
11           SECTION 4. SECTION 15-70-301, MCA, IS AMENDED TO READ:

12           **"15-70-301. (Temporary) Definitions.** As used in this part, the following definitions apply:

13           (1) "Agricultural use" means use of special fuel by a person who earns income while engaging in the  
14 business of farming or ranching and who files farm or income reports for tax purposes as required by the United  
15 States internal revenue service.

16           (2) "Bond" means:

17           (a) a bond executed by a special fuel user as principal with a corporate surety qualified under the laws  
18 of Montana, payable to the state of Montana, and conditioned upon faithful performance of all requirements of  
19 this part, including the payment of all taxes, penalties, and other obligations of the special fuel user arising out  
20 of this part; or

21           (b) a deposit with the department by the special fuel user, under terms and conditions that the  
22 department may prescribe, of certificates of deposit or irrevocable letters of credit issued by a bank and insured  
23 by the federal deposit insurance corporation.

24           (3) "Bulk delivery" means placing special fuel not intended for resale in storage or containers. The term  
25 does not mean special fuel delivered into the supply tank of a motor vehicle.

26           (4) "Cardrol" or "keylock" means a unique device intended to allow access to a special fuel dealer's  
27 unattended pump or dispensing unit for the purpose of delivery of special fuel to an authorized user of the unique  
28 device.

29           (5) "Department" means the department of transportation.

30           (6) (a) "Distributed" means, at the time that special fuel is withdrawn, the withdrawal from a storage tank,

1 a refinery, or a terminal storage in this state for sale or use in this state or for the transportation other than by  
2 pipeline to another refinery in this state or a pipeline terminal in this state of the following:

3 (i) special fuel refined, produced, manufactured, or compounded in this state and placed in storage  
4 tanks in this state;

5 (ii) special fuel transferred from a refinery or pipeline terminal in this state and placed in tanks at the  
6 refinery or terminal; or

7 (iii) special fuel imported into this state and placed in storage at a refinery or pipeline terminal.

8 (b) When withdrawn from the storage tanks, refinery, or terminal, the special fuel may be distributed  
9 only by a person who is the holder of a valid distributor's license.

10 (c) Special fuel imported into this state, other than that special fuel placed in storage at a refinery or  
11 pipeline terminal, is considered to be distributed after it has arrived in and is brought to rest in this state.

12 (7) "Distributor" means:

13 (a) a person who engages in the business in this state of producing, refining, manufacturing, or  
14 compounding special fuel for sale, use, or distribution;

15 (b) an importer who imports special fuel for sale, use, or distribution;

16 (c) a person who engages in the wholesale distribution of special fuel in this state and chooses to  
17 become licensed to assume the Montana state special fuel tax liability; and

18 (d) an exporter.

19 (8) "Export" means to transport out of Montana, by any means other than in the fuel supply tank of a  
20 motor vehicle, special fuel received from a refinery or pipeline terminal within Montana.

21 (9) "Exporter" means a person who transports, other than in the fuel supply tank of a motor vehicle,  
22 special fuel received from a refinery or pipeline terminal in Montana to a destination outside Montana for sale,  
23 use, or consumption outside Montana.

24 (10) "Import" means to first receive special fuel into possession or custody after its arrival and coming  
25 to rest at a destination within the state or to first receive any special fuel shipped or transported into this state  
26 from a point of origin outside this state other than in the fuel supply tank of a motor vehicle.

27 (11) "Importer" means a person who transports or arranges for the transportation of special fuel into  
28 Montana for sale, use, or distribution.

29 (12) "Improperly imported fuel" means special fuel that is:

30 (a) consigned to a Montana destination and imported into the state without the distributor first having

1 obtained a Montana special fuel distributor license as required in 15-70-341; or

2 (b) delivered, possessed, sold, or transferred in the state in any manner not authorized under Title 15,  
3 chapter 70.

4 (13) "Motor vehicle" means all vehicles that are operated upon the public highways or streets of this state  
5 and that are operated in whole or in part by the combustion of special fuel.

6 (14) "Person" includes any person, firm, association, joint-stock company, syndicate, partnership, or  
7 corporation. Whenever the term is used in any clause prescribing and imposing a fine or imprisonment, or both,  
8 as applied to a firm, association, syndicate, or partnership, it includes the partners or members and, as applied  
9 to joint-stock companies and corporations, the officers.

10 (15) "Public roads and highways of this state" means all streets, roads, highways, and related structures:

11 (a) built and maintained with appropriated funds of the United States, the state of Montana, or any  
12 political subdivision of the state;

13 (b) dedicated to public use;

14 (c) acquired by eminent domain, as provided in Title 60, chapter 4, or Title 70, chapter 30; or

15 (d) acquired by adverse use by the public, with jurisdiction having been assumed by the state or any  
16 political subdivision of the state.

17 (16) "Special fuel" means those combustible gases and liquids commonly referred to as diesel fuel or  
18 any other volatile liquid of less than 46 degrees A.P.I. (American petroleum institute) gravity test, except liquid  
19 petroleum gas, when actually sold for use in motor vehicles operating upon the public roads and highways within  
20 the state of Montana. The term special fuel includes all other types of additives when the additive is mixed or  
21 blended into special fuel, regardless of the additive's classifications or uses.

22 (17) "Special fuel dealer" means:

23 (a) a person in the business of handling special fuel who delivers any part of the fuel into the fuel supply  
24 tank or tanks of a motor vehicle not then owned or controlled by the person;

25 (b) a person who sells special fuel at a location unattended by the dealer through an unattended pump  
26 by use of a cardrol, keylock, or similar device; or

27 (c) a person who provides a facility, with or without attended services, from which more than one special  
28 fuel user obtains special fuel for use in the fuel supply tank of a motor vehicle not then controlled by the dealer.

29 (18) (a) "Special fuel user" means a person who consumes in this state special fuel for the operation  
30 of motor vehicles owned or controlled by the person upon the highways of this state.

1 (b) The term does not include the U.S. government, a state, a county, an incorporated city or town, or  
2 a school district of this state.

3 (19) "Use", when the term relates to a special fuel user, means the consumption by a special fuel user  
4 of special fuels in the operation of a motor vehicle on the highways of this state.

5 **15-70-301. (Effective on occurrence of contingency) Definitions.** As used in this part, the following  
6 definitions apply:

7 (1) "Agricultural use" means use of special fuel by a person who earns income while engaging in the  
8 business of farming or ranching and who files farm or income reports for tax purposes as required by the United  
9 States internal revenue service.

10 (2) "Biodiesel" means:

11 ~~—— (a) (i) a fuel sold for use in motor vehicles operating upon the public roads and highways within the state~~  
12 ~~that contains at least 20% esterified vegetable oil, at least 10% alcohol, or an equivalent mixture of both oil and~~  
13 ~~alcohol, with the balance being diesel fuel or any other petroleum-based volatile liquid of less than 46 degrees~~  
14 ~~A.P.I. (American petroleum institute) gravity test and other additives; or~~

15 ~~—— (ii) a monoalkyl ester that:~~

16 ~~—— (A) is derived from domestically produced vegetable oils, renewable lipids, rendered animal fats, or any~~  
17 ~~combination of those ingredients; and~~

18 ~~—— (B) meets the requirements of ASTM PS 121, also known as the Provisional Specification for Biodiesel~~  
19 ~~Fuel (B100) Blend Stock for Distillate Fuels, as adopted by the American society of testing and materials.~~

20 ~~—— (b) Biodiesel is also known as "B-20": a fuel composed of mono-alkyl esters of long chain fatty acids~~  
21 ~~derived from vegetable oils or animal fats and is also designated as B100.~~

22 (3) "Biodiesel blend" means a blend of biodiesel and petroleum diesel fuel.

23 ~~(3)(4)~~ (4) "Bond" means:

24 (a) a bond executed by a special fuel user as principal with a corporate surety qualified under the laws  
25 of Montana, payable to the state of Montana, and conditioned upon faithful performance of all requirements of  
26 this part, including the payment of all taxes, penalties, and other obligations of the special fuel user arising out  
27 of this part; or

28 (b) a deposit with the department by the special fuel user, under terms and conditions that the  
29 department may prescribe, of certificates of deposit or irrevocable letters of credit issued by a bank and insured  
30 by the federal deposit insurance corporation.

1           ~~(4)~~(5) "Bulk delivery" means placing special fuel not intended for resale in storage or containers. The  
2 term does not mean special fuel delivered into the supply tank of a motor vehicle.

3           ~~(5)~~(6) "Cardtrol" or "keylock" means a unique device intended to allow access to a special fuel dealer's  
4 unattended pump or dispensing unit for the purpose of delivery of special fuel to an authorized user of the unique  
5 device.

6           ~~(6)~~(7) "Department" means the department of transportation.

7           ~~(7)~~(8) (a) "Distributed" means, at the time that special fuel is withdrawn, the withdrawal from a storage  
8 tank, a refinery, or a terminal storage in this state for sale or use in this state or for the transportation other than  
9 by pipeline to another refinery in this state or a pipeline terminal in this state of the following:

10           (i) special fuel refined, produced, manufactured, or compounded in this state and placed in storage  
11 tanks in this state;

12           (ii) special fuel transferred from a refinery or pipeline terminal in this state and placed in tanks at the  
13 refinery or terminal; or

14           (iii) special fuel imported into this state and placed in storage at a refinery or pipeline terminal.

15           (b) When withdrawn from the storage tanks, refinery, or terminal, the special fuel may be distributed  
16 only by a person who is the holder of a valid distributor's license.

17           (c) Special fuel imported into this state, other than that special fuel placed in storage at a refinery or  
18 pipeline terminal, is considered to be distributed after it has arrived in and is brought to rest in this state.

19           ~~(8)~~(9) "Distributor" means:

20           (a) a person who engages in the business in this state of producing, refining, manufacturing, or  
21 compounding special fuel for sale, use, or distribution;

22           (b) an importer who imports special fuel for sale, use, or distribution;

23           (c) a person who engages in the wholesale distribution of special fuel in this state and chooses to  
24 become licensed to assume the Montana state special fuel tax liability; and

25           (d) an exporter.

26           ~~(9)~~(10) "Export" means to transport out of Montana, by any means other than in the fuel supply tank of  
27 a motor vehicle, special fuel received from a refinery or pipeline terminal within Montana.

28           ~~(10)~~(11) "Exporter" means a person who transports, other than in the fuel supply tank of a motor vehicle,  
29 special fuel received from a refinery or pipeline terminal in Montana to a destination outside Montana for sale,  
30 use, or consumption outside Montana.

1           ~~(11)~~(12) "Import" means to first receive special fuel into possession or custody after its arrival and  
2 coming to rest at a destination within the state or to first receive any special fuel shipped or transported into this  
3 state from a point of origin outside this state other than in the fuel supply tank of a motor vehicle.

4           ~~(12)~~(13) "Importer" means a person who transports or arranges for the transportation of special fuel into  
5 Montana for sale, use, or distribution.

6           ~~(13)~~(14) "Improperly imported fuel" means special fuel that is:

7           (a) consigned to a Montana destination and imported into the state without the distributor first having  
8 obtained a Montana special fuel distributor license as required in 15-70-341; or

9           (b) delivered, possessed, sold, or transferred in the state in any manner not authorized under Title 15,  
10 chapter 70.

11           ~~(14)~~(15) "Motor vehicle" means all vehicles that are operated upon the public highways or streets of this  
12 state and that are operated in whole or in part by the combustion of special fuel.

13           ~~(15)~~(16) "Person" includes any person, firm, association, joint-stock company, syndicate, partnership,  
14 or corporation. Whenever the term is used in any clause prescribing and imposing a fine or imprisonment, or  
15 both, as applied to a firm, association, syndicate, or partnership, it includes the partners or members and, as  
16 applied to joint-stock companies and corporations, the officers.

17           ~~(16)~~(17) "Public roads and highways of this state" means all streets, roads, highways, and related  
18 structures:

19           (a) built and maintained with appropriated funds of the United States, the state of Montana, or any  
20 political subdivision of the state;

21           (b) dedicated to public use;

22           (c) acquired by eminent domain, as provided in Title 60, chapter 4, or Title 70, chapter 30; or

23           (d) acquired by adverse use by the public, with jurisdiction having been assumed by the state or any  
24 political subdivision of the state.

25           ~~(17)~~(18) "Special fuel" means those combustible gases and liquids commonly referred to as diesel fuel  
26 or any other volatile liquid of less than 46 degrees A.P.I. (American petroleum institute) gravity test, except liquid  
27 petroleum gas, when actually sold for use in motor vehicles operating upon the public roads and highways within  
28 the state of Montana. The term special fuel includes biodiesel and additives of all types when the additive is  
29 mixed or blended into special fuel, regardless of the additive's classifications or uses.

30           ~~(18)~~(19) "Special fuel dealer" means:

1 (a) a person in the business of handling special fuel who delivers any part of the fuel into the fuel supply  
2 tank or tanks of a motor vehicle not then owned or controlled by the person;

3 (b) a person who sells special fuel at a location unattended by the dealer through an unattended pump  
4 by use of a cardtrol, keylock, or similar device; or

5 (c) a person who provides a facility, with or without attended services, from which more than one special  
6 fuel user obtains special fuel for use in the fuel supply tank of a motor vehicle not then controlled by the dealer.

7 ~~(19)~~(20) (a) "Special fuel user" means a person who consumes in this state special fuel for the operation  
8 of motor vehicles owned or controlled by the person upon the highways of this state.

9 (b) The term does not include the U.S. government, a state, a county, an incorporated city or town, or  
10 a school district of this state.

11 ~~(20)~~(21) "Use", when the term relates to a special fuel user, means the consumption by a special fuel  
12 user of special fuels in the operation of a motor vehicle on the highways of this state. (Terminates June 30 of  
13 fourth year following date of occurrence of contingency--sec. 13, Ch. 568, L. 2001.)

14 **15-70-301. (Effective July 1 of fourth year following date of occurrence of contingency)**

15 **Definitions.** As used in this part, the following definitions apply:

16 (1) "Agricultural use" means use of special fuel by a person who earns income while engaging in the  
17 business of farming or ranching and who files farm income reports for tax purposes as required by the United  
18 States internal revenue service.

19 (2) "Bond" means:

20 (a) a bond executed by a special fuel user as principal with a corporate surety qualified under the laws  
21 of Montana, payable to the state of Montana, and conditioned upon faithful performance of all requirements of  
22 this part, including the payment of all taxes, penalties, and other obligations of the special fuel user arising out  
23 of this part; or

24 (b) a deposit with the department by the special fuel user, under terms and conditions that the  
25 department may prescribe, of certificates of deposit or irrevocable letters of credit issued by a bank and insured  
26 by the federal deposit insurance corporation.

27 (3) "Bulk delivery" means placing special fuel not intended for resale in storage or containers. The term  
28 does not mean special fuel delivered into the supply tank of a motor vehicle.

29 (4) "Cardtrol" or "keylock" means a unique device intended to allow access to a special fuel dealer's  
30 unattended pump or dispensing unit for the purpose of delivery of special fuel to an authorized user of the unique

1 device.

2 (5) "Department" means the department of transportation.

3 (6) (a) "Distributed" means, at the time that special fuel is withdrawn, the withdrawal from a storage tank,  
4 a refinery, or a terminal storage in this state for sale or use in this state or for the transportation other than by  
5 pipeline to another refinery in this state or a pipeline terminal in this state of the following:

6 (i) special fuel refined, produced, manufactured, or compounded in this state and placed in storage  
7 tanks in this state;

8 (ii) special fuel transferred from a refinery or pipeline terminal in this state and placed in tanks at the  
9 refinery or terminal; or

10 (iii) special fuel imported into this state and placed in storage at a refinery or pipeline terminal.

11 (b) When withdrawn from the storage tanks, refinery, or terminal, the special fuel may be distributed  
12 only by a person who is the holder of a valid distributor's license.

13 (c) Special fuel imported into this state, other than that special fuel placed in storage at a refinery or  
14 pipeline terminal, is considered to be distributed after it has arrived in and is brought to rest in this state.

15 (7) "Distributor" means:

16 (a) a person who engages in the business in this state of producing, refining, manufacturing, or  
17 compounding special fuel for sale, use, or distribution;

18 (b) an importer who imports special fuel for sale, use, or distribution;

19 (c) a person who engages in the wholesale distribution of special fuel in this state and chooses to  
20 become licensed to assume the Montana state special fuel tax liability; and

21 (d) an exporter.

22 (8) "Export" means to transport out of Montana, by any means other than in the fuel supply tank of a  
23 motor vehicle, special fuel received from a refinery or pipeline terminal within Montana.

24 (9) "Exporter" means a person who transports, other than in the fuel supply tank of a motor vehicle,  
25 special fuel received from a refinery or pipeline terminal in Montana to a destination outside Montana for sale,  
26 use, or consumption outside Montana.

27 (10) "Import" means to first receive special fuel into possession or custody after its arrival and coming  
28 to rest at a destination within the state or to first receive any special fuel shipped or transported into this state  
29 from a point of origin outside this state other than in the fuel supply tank of a motor vehicle.

30 (11) "Importer" means a person who transports or arranges for the transportation of special fuel into

1 Montana for sale, use, or distribution.

2 (12) "Improperly imported fuel" means special fuel that is:

3 (a) consigned to a Montana destination and imported into the state without the distributor first having  
4 obtained a Montana special fuel distributor license as required in 15-70-341; or

5 (b) delivered, possessed, sold, or transferred in the state in any manner not authorized under Title 15,  
6 chapter 70.

7 (13) "Motor vehicle" means all vehicles that are operated upon the public highways or streets of this state  
8 and that are operated in whole or in part by the combustion of special fuel.

9 (14) "Person" includes any person, firm, association, joint-stock company, syndicate, partnership, or  
10 corporation. Whenever the term is used in any clause prescribing and imposing a fine or imprisonment, or both,  
11 as applied to a firm, association, syndicate, or partnership, it includes the partners or members and, as applied  
12 to joint-stock companies and corporations, the officers.

13 (15) "Public roads and highways of this state" means all streets, roads, highways, and related structures:

14 (a) built and maintained with appropriated funds of the United States, the state of Montana, or any  
15 political subdivision of the state;

16 (b) dedicated to public use;

17 (c) acquired by eminent domain, as provided in Title 60, chapter 4, or Title 70, chapter 30; or

18 (d) acquired by adverse use by the public, with jurisdiction having been assumed by the state or any  
19 political subdivision of the state.

20 (16) "Special fuel" means those combustible gases and liquids commonly referred to as diesel fuel or  
21 any other volatile liquid of less than 46 degrees A.P.I. (American petroleum institute) gravity test, except liquid  
22 petroleum gas, when actually sold for use in motor vehicles operating upon the public roads and highways within  
23 the state of Montana. The term special fuel includes all other types of additives when the additive is mixed or  
24 blended into special fuel, regardless of the additive's classifications or uses.

25 (17) "Special fuel dealer" means:

26 (a) a person in the business of handling special fuel who delivers any part of the fuel into the fuel supply  
27 tank or tanks of a motor vehicle not then owned or controlled by the person;

28 (b) a person who sells special fuel at a location unattended by the dealer through an unattended pump  
29 by use of a cardtrol, keylock, or similar device; or

30 (c) a person who provides a facility, with or without attended services, from which more than one special

1 fuel user obtains special fuel for use in the fuel supply tank of a motor vehicle not then controlled by the dealer.

2 (18) (a) "Special fuel user" means a person who consumes in this state special fuel for the operation  
3 of motor vehicles owned or controlled by the person upon the highways of this state.

4 (b) The term does not include the U.S. government, a state, a county, an incorporated city or town, or  
5 a school district of this state.

6 (19) "Use", when the term relates to a special fuel user, means the consumption by a special fuel user  
7 of special fuels in the operation of a motor vehicle on the highways of this state."

8

9 **SECTION 5. SECTION 15-70-304, MCA, IS AMENDED TO READ:**

10 **"15-70-304. (Temporary) Bonding, release of surety, and additional bond.** (1) Except as provided  
11 in this section, a special fuel user's permit may not be issued to a person or continued in force unless the person  
12 has furnished a bond, as defined in 15-70-301 and in a form as the department may require, to secure its  
13 compliance with this part and the payment of any taxes, interest, and penalties due and to become due under  
14 this part. The department shall waive the bond requirement of a special fuel user not subject to the provisions  
15 of subsection (2)(a) or (2)(b).

16 (2) The total amount of the bond or bonds required of a special fuel user must be equivalent to twice  
17 the special fuel user's estimated quarterly tax payments as provided in this part, determined as the department  
18 considers proper; however, the total amount of the bond or bonds may not be less than:

19 (a) \$5,000 for a special fuel user awarded a contract in accordance with 15-70-321; and

20 (b) \$500 for any other special fuel user who:

21 (i) requests a special fuel user's permit to be reissued after being canceled for cause; or

22 (ii) fails to file timely reports and pay tax due as required by 15-70-325 and 15-70-327.

23 (3) A surety on a bond furnished by a special fuel user, as provided in this section, must be released  
24 and discharged from any liability to the state accruing on the bond after the expiration of 30 days from the date  
25 when the surety has lodged with the department a written request to be released and discharged, but this  
26 provision may not operate to relieve, release, or discharge the surety from any liability already accrued or that  
27 accrues before the expiration of the 30-day period. The department shall, promptly upon receiving a release  
28 request, notify the special fuel user who furnished the bond, and unless the special fuel user, on or before the  
29 expiration of the 30-day period, files a new bond in accordance with the requirements of this section or makes  
30 a deposit in lieu of a bond as provided in 15-70-301(2), the department shall cancel the special fuel user's

1 permit.

2 (4) The department may require a special fuel user to give a new or additional surety bond or to deposit  
3 additional securities of the character specified in 15-70-301(2) if, in its opinion, the security of the surety bond  
4 previously filed by the special fuel user or the market value of the properties deposited as security by the special  
5 fuel user becomes impaired or inadequate. Upon failure of the special fuel user to give a new additional surety  
6 bond or to deposit additional securities within 30 days after being requested to do so by the department, the  
7 department shall cancel the permit.

8 **15-70-304. (Effective on occurrence of contingency) Bonding, release of surety, and additional**  
9 **bond.** (1) Except as provided in this section, a special fuel user's permit may not be issued to a person or  
10 continued in force unless the person has furnished a bond, as defined in 15-70-301 and in a form as the  
11 department may require, to secure its compliance with this part and the payment of any taxes, interest, and  
12 penalties due and to become due under this part. The department shall waive the bond requirement of a special  
13 fuel user not subject to the provisions of subsection (2)(a) or (2)(b).

14 (2) The total amount of the bond or bonds required of a special fuel user must be equivalent to twice  
15 the special fuel user's estimated quarterly tax payments as provided in this part, determined as the department  
16 considers proper; however, the total amount of the bond or bonds may not be less than:

17 (a) \$5,000 for a special fuel user awarded a contract in accordance with 15-70-321; and

18 (b) \$500 for any other special fuel user who:

19 (i) requests a special fuel user's permit to be reissued after being canceled for cause; or

20 (ii) fails to file timely reports and pay tax due as required by 15-70-325 and 15-70-327.

21 (3) A surety on a bond furnished by a special fuel user, as provided in this section, must be released  
22 and discharged from any liability to the state accruing on the bond after the expiration of 30 days from the date  
23 when the surety has lodged with the department a written request to be released and discharged, but this  
24 provision may not operate to relieve, release, or discharge the surety from any liability already accrued or that  
25 accrues before the expiration of the 30-day period. The department shall, promptly upon receiving a release  
26 request, notify the special fuel user who furnished the bond, and unless the special fuel user, on or before the  
27 expiration of the 30-day period, files a new bond in accordance with the requirements of this section or makes  
28 a deposit in lieu of a bond as provided in ~~15-70-301(3)~~ the definition of bond in 15-70-301, the department shall  
29 cancel the special fuel user's permit.

30 (4) The department may require a special fuel user to give a new or additional surety bond or to deposit

1 additional securities of the character specified in ~~15-70-301(3)~~ the definition of bond in 15-70-301 if, in its  
2 opinion, the security of the surety bond previously filed by the special fuel user or the market value of the  
3 properties deposited as security by the special fuel user becomes impaired or inadequate. Upon failure of the  
4 special fuel user to give a new additional surety bond or to deposit additional securities within 30 days after being  
5 requested to do so by the department, the department shall cancel the permit. (Terminates June 30 of fourth  
6 year following date of occurrence of contingency--sec. 13, Ch. 568, L. 2001.)

7 **15-70-304. (Effective July 1 of fourth year following date of occurrence of contingency) Bonding,**  
8 **release of surety, and additional bond.** (1) Except as provided in this section, a special fuel user's permit may  
9 not be issued to a person or continued in force unless the person has furnished a bond, as defined in 15-70-301  
10 and in a form as the department may require, to secure its compliance with this part and the payment of any  
11 taxes, interest, and penalties due and to become due under this part. The department shall waive the bond  
12 requirement of a special fuel user not subject to the provisions of subsection (2)(a) or (2)(b).

13 (2) The total amount of the bond or bonds required of a special fuel user must be equivalent to twice  
14 the special fuel user's estimated quarterly tax payments as provided in this part, determined as the department  
15 considers proper; however, the total amount of the bond or bonds may not be less than:

16 (a) \$5,000 for a special fuel user awarded a contract in accordance with 15-70-321; and

17 (b) \$500 for any other special fuel user who:

18 (i) requests a special fuel user's permit to be reissued after being canceled for cause; or

19 (ii) fails to file timely reports and pay tax due as required by 15-70-325 and 15-70-327.

20 (3) A surety on a bond furnished by a special fuel user, as provided in this section, must be released  
21 and discharged from any liability to the state accruing on the bond after the expiration of 30 days from the date  
22 when the surety has lodged with the department a written request to be released and discharged, but this  
23 provision may not operate to relieve, release, or discharge the surety from any liability already accrued or that  
24 accrues before the expiration of the 30-day period. The department shall, promptly upon receiving a release  
25 request, notify the special fuel user who furnished the bond, and unless the special fuel user, on or before the  
26 expiration of the 30-day period, files a new bond in accordance with the requirements of this section or makes  
27 a deposit in lieu of a bond as provided in 15-70-301(2), the department shall cancel the special fuel user's  
28 permit.

29 (4) The department may require a special fuel user to give a new or additional surety bond or to deposit  
30 additional securities of the character specified in 15-70-301(2) if, in its opinion, the security of the surety bond

1 previously filed by the special fuel user or the market value of the properties deposited as security by the special  
2 fuel user becomes impaired or inadequate. Upon failure of the special fuel user to give a new additional surety  
3 bond or to deposit additional securities within 30 days after being requested to do so by the department, the  
4 department shall cancel the permit."

5

6 **SECTION 6. SECTION 15-70-321, MCA, IS AMENDED TO READ:**

7 **"15-70-321. (Temporary) Tax on special fuel and volatile liquids.** (1) The department shall, under  
8 the provisions of rules issued by it, collect or cause to be collected from the owners or operators of motor  
9 vehicles a tax, as provided in subsection (2):

10 (a) for each gallon of undyed special fuel or other volatile liquid, except liquid petroleum gas, of less  
11 than 46 degrees A.P.I. (American petroleum institute) gravity test when actually sold or used to produce motor  
12 power to operate motor vehicles upon the public roads and highways of this state;

13 (b) for each gallon of special fuel or other volatile liquid, except liquid petroleum gas, of less than 46  
14 degrees A.P.I. (American petroleum institute) gravity test when actually sold or used in motor vehicles, motorized  
15 equipment, and the internal combustion of any engines, including stationary engines, used in connection with  
16 any work performed under any contracts pertaining to the construction, reconstruction, or improvement of any  
17 highway or street and their appurtenances awarded by any public agencies, including federal, state, county,  
18 municipal, or other political subdivisions; and

19 (c) for each gallon of dyed special fuel delivered into the fuel supply tank of a diesel-powered highway  
20 vehicle, regardless of weight, operating upon the public roads and highways of this state.

21 (2) The tax imposed in subsection (1) is 27 3/4 cents per gallon.

22 **15-70-321. (Effective on occurrence of contingency) Tax on special fuel and volatile liquids.** (1)

23 The department shall, under the provisions of rules issued by it, collect or cause to be collected from the owners  
24 or operators of motor vehicles a tax, as provided in subsection (2):

25 (a) for each gallon of undyed special fuel or other volatile liquid, except liquid petroleum gas and  
26 biodiesel, of less than 46 degrees A.P.I. (American petroleum institute) gravity test when actually sold or used  
27 to produce motor power to operate motor vehicles upon the public roads and highways of this state;

28 (b) for each gallon of special fuel or other volatile liquid, except liquid petroleum gas and biodiesel, of  
29 less than 46 degrees A.P.I. (American petroleum institute) gravity test when actually sold or used in motor  
30 vehicles, motorized equipment, and the internal combustion of any engines, including stationary engines, used

1 in connection with any work performed under any contracts pertaining to the construction, reconstruction, or  
 2 improvement of any highway or street and their appurtenances awarded by any public agencies, including  
 3 federal, state, county, municipal, or other political subdivisions;

4 (c) for each gallon of dyed special fuel delivered into the fuel supply tank of a diesel-powered highway  
 5 vehicle, regardless of weight, operating upon the public roads and highways of this state; and

6 (d) for each gallon of biodiesel blend that is at least 20% biodiesel and that is delivered into the fuel  
 7 supply tank of a highway vehicle, regardless of weight, operating upon the public roads and highways of this  
 8 state.

9 (2) (a) The tax imposed in subsections (1)(a) through (1)(c) is 27 3/4 cents per gallon.

10 (b) The tax imposed in subsection (1)(d) is 85% of the amount provided for in subsection (2)(a).  
 11 (Terminates June 30 of fourth year following date of occurrence of contingency--sec. 13, Ch. 568, L. 2001.)

12 **15-70-321. (Effective July 1 of fourth year following date of occurrence of contingency) Tax on**  
 13 **special fuel and volatile liquids.** (1) The department shall, under the provisions of rules issued by it, collect  
 14 or cause to be collected from the owners or operators of motor vehicles a tax, as provided in subsection (2):

15 (a) for each gallon of undyed special fuel or other volatile liquid, except liquid petroleum gas, of less  
 16 than 46 degrees A.P.I. (American petroleum institute) gravity test when actually sold or used to produce motor  
 17 power to operate motor vehicles upon the public roads and highways of this state;

18 (b) for each gallon of special fuel or other volatile liquid, except liquid petroleum gas, of less than 46  
 19 degrees A.P.I. (American petroleum institute) gravity test when actually sold or used in motor vehicles, motorized  
 20 equipment, and the internal combustion of any engines, including stationary engines, used in connection with  
 21 any work performed under any contracts pertaining to the construction, reconstruction, or improvement of any  
 22 highway or street and their appurtenances awarded by any public agencies, including federal, state, county,  
 23 municipal, or other political subdivisions; and

24 (c) for each gallon of dyed special fuel delivered into the fuel supply tank of a diesel-powered highway  
 25 vehicle, regardless of weight, operating upon the public roads and highways of this state.

26 (2) The tax imposed in subsection (1) is 27 3/4 cents per gallon."  
 27

28 **Section 7.** Section 82-15-101, MCA, is amended to read:

29 **"82-15-101. Definitions.** As used in this part, the following definitions apply:

30 (1) "Biodiesel" means a monoalkyl ester that:

1 ~~\_\_\_\_\_ (a) is derived from domestically produced vegetable oils, renewable lipids, rendered animal fats, or any~~  
 2 ~~combination of those ingredients; and~~

3 ~~\_\_\_\_\_ (b) subject to 82-15-103, meets the requirements of D6751-02, also known as the provisional~~  
 4 ~~specification for biodiesel fuel (B100) blend stock for distillate fuels, as adopted by the American society for~~  
 5 ~~testing and materials. A FUEL COMPOSED OF MONO-ALKYL ESTERS OF LONG CHAIN FATTY ACIDS DERIVED FROM~~  
 6 ~~VEGETABLE OILS OR ANIMAL FATS AND IS ALSO DESIGNATED AS B100.~~

7 (2) "BIODIESEL BLEND" MEANS A BLEND OF BIODIESEL AND PETROLEUM DIESEL FUEL.

8 (1)(2)(3) "Dealer" means any person engaged in the petroleum business and includes petroleum  
 9 dealers and liquefied petroleum dealers.

10 (2)(3)(4) "Department" means the department of labor and industry provided for in Title 2, chapter 15,  
 11 part 17.

12 (3)(4)(5) "Liquefied petroleum dealer" means a dealer engaged, directly or indirectly, in the business  
 13 of delivering or distributing to a consumer or of selling or offering or advertising for sale or refining or  
 14 manufacturing or keeping for sale in this state any petroleum product composed predominately of any of the  
 15 following hydrocarbons or mixtures of hydrocarbons: propane, propylene, butanes (normal butane or isobutane),  
 16 and butylenes but excluding prepackaged liquefied petroleum products.

17 (4)(5)(6) "Liquefied petroleum product" means a product composed predominately of any of the  
 18 following hydrocarbons or mixtures of hydrocarbons: propane, propylene, butanes (normal butane or isobutane),  
 19 and butylenes.

20 (5)(6)(7) "Liquefied petroleum product container" means a container approved by the American society  
 21 of mechanical engineers that can hold 110 gallons or more of a liquefied petroleum product.

22 (6)(7)(8) "Mislabelled" means a package label or dispensing device of a product that bears any  
 23 statement, design, or device regarding the product or regarding ingredients or substances in the product or  
 24 regarding the properties, quality, or kind of products that is false or misleading in any manner.

25 (7)(8)(9) "Owner" means a person:

26 (a) who is listed with the American society of mechanical engineers or with the manufacturer as owner  
 27 by the serial number of the liquefied petroleum product container;

28 (b) who holds a written bill of sale or other instrument under which title to a liquefied petroleum product  
 29 container was transferred; or

30 (c) who holds a paid invoice showing purchase of and payment for a liquefied petroleum product

1 container.

2 ~~(8)(9)(10)~~ "Person" means an individual, trust, estate, partnership, corporation, joint-stock company, firm,  
3 agency, association, or any receiver appointed by law.

4 ~~(9)(10)(11)~~ "Petroleum dealer" means a dealer engaged, directly or indirectly, in the business of  
5 delivering or distributing to a consumer or offering or advertising for sale, refining, manufacturing, or keeping  
6 for sale in this state any gasoline, kerosene, distillate, road oil, fuel oil, lubricating oil, or greases or any oil or gas  
7 or oil and gas product except prepackaged petroleum products and except as otherwise defined as a liquefied  
8 petroleum dealer in subsection ~~(3)~~ ~~(4)~~ ~~(5)~~.

9 ~~(10)(11)(12)~~ "Sell" and "sale" includes barter and exchange."  
10

11 **Section 8.** Section 82-15-103, MCA, is amended to read:

12 **"82-15-103. Standards for petroleum products.** The standards and specifications for petroleum  
13 products, including but not limited to gasoline, fuel oils, diesel fuel, kerosene, biodiesel, and liquefied petroleum  
14 gases, ~~shall~~ must be determined by the department and ~~shall~~ must be based upon nationally recognized  
15 standards and specifications such as those that are published from time to time by the American society for  
16 testing and materials. When ~~so~~ determined by the department and adopted as rules, ~~such~~ the standards and  
17 specifications are the standards and specifications for ~~such~~ products sold in this state and official tests of ~~such~~  
18 those products ~~shall~~ must be based upon them."  
19

20 NEW SECTION. Section 9. Codification instruction. ~~[Section 1] is [SECTIONS 1 THROUGH 3] ARE~~  
21 ~~intended to be codified as an integral part of Title 82, chapter 15, part 1, and the provisions of Title 82, chapter~~  
22 ~~15, part 1, apply to [section 1] TITLE 60, CHAPTER 2, PART 2, AND THE PROVISIONS OF TITLE 60, CHAPTER 2, PART 2,~~  
23 ~~APPLY TO [SECTIONS 1 THROUGH 3].~~  
24

25 ~~NEW SECTION. Section 6. Contingent effective date.~~ ~~[This act] is effective 6 months after the~~  
26 ~~director of the department of transportation certifies to the governor that there are at least 10 million gallons of~~  
27 ~~biodiesel available, from Montana resources, in the state. The director shall send a copy of the certification to~~  
28 ~~the secretary of state and the code commissioner.~~  
29

30 NEW SECTION. SECTION 10. TERMINATION. [SECTIONS 1 THROUGH 3] TERMINATE DECEMBER 31, 2006.  
31

- END -